

FY 2002-03 BUDGET

BUDGET SECTION SUMMARY

Section Title:

FORESTVILLE COUNTY SANITATION DISTRICT

A. Program Description

This budget finances operation, maintenance, and administration of a collection system, a treatment plant, and disposal facilities which serve the Forestville area.

B. Financial Summary

Section	GROSS EXPENDITURES			NET COST/USE OF FUND BALANCE		
	FY 01-02 Adopted	FY 02-03 Requested	Percent Change	FY 01-02 Adopted	FY 02-03 Requested	Percent Change
Operations	\$457,050	\$464,050	1.53%	\$48,794	\$57,727	18.31%
Construction	3,664,024	2,641,300	(27.91%)	3,659,024	2,636,300	(27.95%)
TOTAL:	\$4,121,074	\$3,105,350	(24.65%)	\$3,707,818	\$2,694,027	(27.34%)

C. Staffing Summary

No staffing is allocated to this index.

D. Workload Summary

Workload Indicator	FY 00-01 Actual	FY 01-02 Budget Estimate	FY 01-02 Revised Estimate	FY 02-03 Projected	Change from FY 01-02 Budget Estimate
Total ESDs	383	381	384	384	0.79%
Total APNs	183	183	183	183	0.00%

E. Summary of Issues and Significant Changes

The requested rate per ESD for FY 01-02 annual service charges is \$845, representing a 4.97% increase from FY 00-01. Connections from Mirabel Heights will be charged at \$446 per ESD in FY 01-02, reflecting their estimated share of operations and maintenance costs.

The Forestville County Sanitation District (Forestville CSD) treatment facility, which became operational in 1952 and was upgraded in 1962 and 1978, is designed to treat an average daily dry weather flow of up to 100,000 gallons per day to secondary wastewater treatment standards. Between October 1 and May 14 of each year, treated wastewater from the Forestville plant is discharged into Jones Creek, a tributary of Green Valley Creek, which is a tributary to the Russian River. Between May 15 and September 30, private property owners use recycled water for irrigation.

In the 1980s, the NCRWQCB issued an action plan based on its' Russian River Basin Plan, which mandated that all discharges to the Russian river or its' tributaries be treated to tertiary (AWT) standards. In November of 1993, the Forestville CSD certified the Forestville and Graton Wastewater Facilities Improvement Project Final Environmental Impact Report (Forestville and Graton EIR), which addressed the environmental impacts of two alternatives that would allow both the Forestville CSD and Graton Sanitation Zone to comply with the NCRWQCB AWT requirements. The Forestville CSD later approved the "Stand Alone" project identified in the Forestville and Graton EIR. The improved project included upgrading both the Forestville CSD and Graton Sanitation Zone treatment facilities to AWT standards, separately. While portions of the project have been implemented (irrigation of candidate recycled water user sites), the Forestville CSD treatment facility has not yet been upgraded to AWT standards.

E. Summary of Issues and Significant Changes (Continued)

In June of 1995, the Forestville CSD approved the "Regional Facilities" project identified in the Forestville and Graton EIR. This project included upgrading the Graton Sanitation Zone treatment facility, only, to AWT standards. In 1996, as part of the "Regional Facilities" project, an underground pipeline was constructed between the Forestville CSD and Graton Sanitation Zone treatment facilities to allow for the transfer of recycled water between these facilities, and the delivery of recycled water to irrigation customers between these locations. The remaining portions of the "Regional Facilities" project have not been completed due to financial reasons and lack of public support.

In March of 1998, the Forestville CSD's and Sonoma County Water Agency's Boards of Directors approved the Mirabel Heights Water Pollution Control Project consisting of a collection system for Mirabel Heights and connection to the Forestville CSD treatment facility. The collection system for Mirabel Heights has been completed and users in Mirabel Heights began to connect to the system in FY 00-01.

Forestville CSD plans to award a construction contract for the upgrades necessary to meet AWT standards in FY 00-01. The Forestville CSD AWT Upgrade Project will require two construction seasons to complete, with completion of construction expected in FY 02-03. The current estimated cost for constructing the Forestville CSD AWT Upgrade Project is \$3.3 million. The Department of Veteran's Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act of 1999 provided a \$1 million grant for this project. An additional grant and low interest financing is anticipated for over \$1.5 million from the U.S. Department of Agriculture. Additional funding is also anticipated from the Forestville Water District for over \$500,000. This financing, combined with the connection of Mirabel Heights (\$170,000) to the Forestville CSD treatment facility has made the Forestville CSD AWT Upgrade Project financially feasible.

An environmental analysis is currently being performed by Agency staff in order to determine if a supplemental or subsequent EIR, or any other environmental documentation is necessary for the AWT upgrade of the treatment plant.

LEVEL OF SERVICE

In order to develop operational priorities and staffing needs for the sanitation systems, three basic levels of service have been defined by Agency staff and are described below.

Asset Preservation: services and programs necessary to **operate, maintain, and replace** facility assets.

Standard: services necessary to **operate and maintain** the system in order to limit the risk of service interruption and permit violations.

Minimum: services necessary to **operate** the treatment plant.

Estimated FY 00-01 revenues provide funding for a "Minimum" level of service. The Water Agency is currently utilizing it's operational reserve funds to allow for a "Standard" level of service. Under current operating conditions, an additional \$75,000 of annual revenue is required to provide an "Asset Preservation" level of service. The required funding to attain the Asset Preservation level of service will be re-evaluated once the inclusion of the Mirabel Heights area is complete.

F. Summary of Reduction Options

No reduction options are proposed.

G. Attachments

- Summary of Revenues and Expenditures
- Character Justification
- Statement of Special Fund Activity

FY 2002-03 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Section Title: FORESTVILLE CSD - OPERATIONS

Section/Index No: 650101

Sub-Object No. and Title	Adopted 2001-02	Requested 2002-03	Difference	Percent Change
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REVENUES:

TAXES

1001 Flat Charges - CY	\$230,389	\$230,389	\$0	0.00%
1061 Flat Charges - PY	7,000	7,000	0	0.00%
1120 Penalties / Costs on Taxes	3,000	3,000	0	0.00%

Subtotal Taxes	\$240,389	\$240,389	\$0	0.00%
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USE OF MONEY

1700 Interest on Pooled Cash	\$2,500	\$2,250	(\$250)	(10.00%)
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Subtotal Use of Money	\$2,500	\$2,250	(\$250)	(10.00%)
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CHARGES FOR SERVICES

3400 Sanitation Services	\$81,965	\$81,965	\$0	0.00%
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Subtotal Charges for Services	\$81,965	\$81,965	\$0	0.00%
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OTHER FINANCING SOURCES

4640 OT- Between Entities - BOS	\$83,402	\$81,719	(\$1,683)	(2.02%)
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Subtotal Other Financing Sources	\$83,402	\$81,719	(\$1,683)	(2.02%)
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TOTAL REVENUES	\$408,256	\$406,323	(\$1,933)	(0.47%)
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EXPENDITURES:

SERVICES AND SUPPLIES

6040 Communications	\$2,000	\$2,000	\$0	0.00%
6180 Maintenance - Bldgs / Impr	12,000	12,000	0	0.00%
6262 Lab Supplies	200	200	0	0.00%
6522 District Services	140,000	140,000	0	0.00%
6570 Consultant Services	0	0	0	N/A
6573 Administration Costs	2,300	2,300	0	0.00%
6610 Legal Services	6,000	6,000	0	0.00%
6630 Audit / Accounting Services	5,500	5,500	0	0.00%
6640 Debt Issuance Cost	2,050	2,050	0	0.00%
7212 Chemicals	10,000	10,000	0	0.00%
7217 State Permits / Fees	35,000	35,000	0	0.00%
7320 Utilities	48,000	55,000	7,000	14.58%

Subtotal Services and Supplies	\$263,050	\$270,050	\$7,000	2.66%
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SUMMARY OF REVENUES AND EXPENDITURES

Index No.: 650101

Sub-Object No. and Title	Adopted 2001-02	Requested 2002-03	Difference	Percent Change
<u>OTHER CHARGES</u>				
7931 Lease / Purchase Interest	\$84,000	\$84,000	\$0	0.00%
7980 Depreciation	85,000	85,000	0	0.00%
8090 Loss on Fixed Assets	0	0	0	N/A
Subtotal Other Charges	\$169,000	\$169,000	\$0	0.00%
<u>FIXED ASSETS</u>				
8510 Buildings / Improvements	\$0	\$0	\$0	N/A
Subtotal Fixed Assets	\$0	\$0	\$0	N/A
<u>OTHER FINANCING USES</u>				
8625 OT - W/in Special Dist - BOS	\$5,000	\$5,000	\$0	0.00%
Subtotal Other Financing Uses	\$5,000	\$5,000	\$0	0.00%
<u>APPROPRIATIONS FOR CONT</u>				
9000 Approp for Contingencies	\$20,000	\$20,000	\$0	0.00%
Subtotal Approp for Contingencies	\$20,000	\$20,000	\$0	0.00%
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
9200 Ent - Principal	\$48,000	\$48,000	\$0	0.00%
9209 Ent - Principal Clearing	(48,000)	(48,000)	0	0.00%
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$457,050	\$464,050	\$7,000	1.53%

TOTAL NET COST (Expenditures Minus Revenues)	\$48,794	\$57,727	\$8,933	18.31%
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CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Forestville CSD - Operations

Character Title: Taxes

Character No.: 650101-10

1001 Flat Charges - CY

Flat charge revenue from annual service charges is expected to increase from the adopted FY 00-01 budget. The rate will increase from \$805 to \$845 in FY 01-02, representing a 4.97% increase. The number of ESD's is projected to remain at 287 in FY 01-02.

ESDs times annual rate:	287 x \$845	\$242,515
Less Estimated Delinquency Factor:	5%	(12,126)
		<u>\$230,389</u>

1061 Flat Charges - PY

This item records the estimated delinquent amount of prior year sewer service charges.

1120 Penalties / Costs on Taxes

This item records penalties paid on delinquent sewer service charges.

Character Title: Use of Money

Character No.: 650101-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the District by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	\$50,000
Projected Interest Rate	4.50%
Projected/Planned Interest on Pooled Cash	<u>\$2,250</u>

Character Title: Charges for Services

Character No.: 650101-30

3400 Sanitation Services

This account records annual sewer service charges for entities that are invoiced, rather than collected as flat charges on the tax roll, and for new hook-ups as they occur during the year. The Sanitation Rate Ordinance requires that charges be collected at the time permits are issued. The properties are then added to the tax roll master listing and collected through sub-object 1001, Flat Charges, in the following year.

The budgeted revenue reflects 97 invoiced ESD's in 00-01. There will be a \$24 increase (2.98%) in the annual sewer rate for Forestville CSD.

Forestville CSD	97 x \$845	=	\$81,965
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CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Forestville CSD - Operations

Character Title: Other Financing Sources

4640 OT - Between Entities - BOS

This account will record the receipt of monies transferred from CSA #41 - Mirabel Heights. This transfer represents Mirabel Heights share of Operations and Maintenance expenses incurred by the Forestville CSD. Property owners in the Mirabel Heights area will begin connecting to the Forestville CSD in FY 00-01. A total of 187 ESD's are anticipated from Mirabel Heights at \$437 per ESD in FY 01-02.

Character Title: Services and Supplies

Character No.: 650101-60

6040 Communications

This account records expenses paid by the District for outside communication services such as Pacific Bell and AT&T, as well as for the cost of alarm services provided by Honeywell.

6180 Maintenance - Bldgs / Impr

This account records the cost of parts and materials required to maintain the treatment plant and collection system.

6262 Laboratory Supplies

This account records the cost of lab supplies required for testing and monitoring wastewater.

6522 District Services

This account records the cost of labor and overhead associated with operation and maintenance of the District's facilities and equipment, as well as other related service and supply type items. The FY 00-01 budget is expected to be substantially overrun during the current year because anticipated savings from operator cross-training have not yet been fully realized. The District is continuing its efforts to achieve operational savings through cross training and automation.

6573 Administration Costs

This account represents the 1% administration fee assessed by the County for processing collection of flat charges on the tax roll. The increase in the proposed FY 01-02 budget corresponds with the estimated increase in the tax levy.

6610 Legal Services

This item is requested to provide funds for the estimated cost of legal services to be provided by County Counsel, or outside legal services, as required.

CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Forestville CSD - Operations

Character Title: Services and Supplies (continued)

Character No.: 650101-60

6630 Audit / Accounting Services

This item represents an estimate from the Auditor's Office for the FY 01-02 expense for the audit of the previous fiscal year (\$2,900, as set forth in the Budget Instructions). In addition, this item records the direct allocation of Auditor-Controller Fiscal Services staff costs for time expected to be spent on District accounting.

6640 Debt Issuance Costs

Generally Accepted Accounting Principles require that debt issuance costs be amortized over the term of the financing agreement. This is a non-cash transaction; however, appropriations are required to book the entry.

7212 Chemicals

This account records the cost of chemicals required for operation of the treatment plant.

7217 State Permits / Fees

This account records the cost of District permits related to NPDES, as mandated by the Regional Water Quality Control Board.

7320 Utilities

This account records the cost of utilities, such as gas, electricity, and water.

Character Title: Other Charges

Character No.: 650101-75

7931 Lease / Purchase Interest

This account records the interest expense for Forestville's share of the Forestville and Graton Regional Wastewater Facilities Capital lease. The interest rate is 6.5%. The FY 01-02 request is based on the bond amortization schedule prepared at the time the bonds were sold.

7980 Depreciation

Generally accepted accounting principles require that depreciation be expensed each year.

CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Forestville CSD - Operations

Character Title: Other Financing Uses

Character No.: 650101-86

8625 OT - W/in Special Dist - BOS

This account reflects the transfer of cash from the operations fund to the construction fund to finance the capital replacement program. If the operations fund does not have sufficient cash available to finance capital projects, the transfer will not be made.

Character Title: Appropriations for Contingencies

Character No.: 650101-90

9000 Appropriations for Contingencies

This account provides funding for unanticipated expenditures or revenue shortfalls.

Character Title: Administrative Controls

Character No.: 650101-92

9200 Ent - Principal

This account reflects the principal expense for Forestville's share of the Forestville and Graton Regional Wastewater Facilities Capital lease. The interest rate is 6.5%. Payments began September 1, 1996 and will continue semi-annually until March 1, 2016. The FY 00-01 request is based on the bond amortization schedule prepared at the time the bonds were sold.

The following reflects the bond principal payment history to date:

Forestville's Share of the bond amount (58.7455% of \$2,500,000 bond):	\$1,468,636
Principal Payments through FYE 99-00:	(165,036)
FY 00-01 Principal Payment by Forestville:	(48,301)
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Outstanding Bond Amount	\$1,255,299

FY 2002-03 BUDGET

STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation

Section: Forestville CSD - Operations

Index No.: 650101

DESCRIPTION OF FUND ACTIVITY	Actual FY 00-01	Estimated FY 01-02	Requested FY 02-03
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings Available for Budgeting (See Detailed Components Below)	\$ 76,623	\$18,228	-\$25
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	336,724	354,529	406,323
Expenditures - (Decrease) retained earnings	(419,673)	(411,832)	(464,050)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(82,949)	(57,303)	(57,727)
Adjustments to Reserves/Encumbrances:			
7980 Depreciation	72,393	85,000	85,000
9200 Ent - Principal	(48,301)	(48,301)	(48,000)
Adjustment - Increase in Cap Lease Obligation	(2,993)	301	
Adjustment - Trustee Activity (Interest)	(1,046)		
Adjustment - Contributed Capital	2,000		
Adjustment - Amortized Fees	2,049	2,050	2,050
Net Change in Encumbrance	452		
Net Adjustment - Increase/(Decrease) to Retained Earnings	24,554	39,050	39,050
Undesignated/Unreserved <u>ENDING</u> Retained Earnings Available for Budgeting	18,228	(25)	(18,702)
Total Increase/(Decrease) in Retained Earnings for Fiscal Year (Difference between Beginning and Ending Balance)	(\$58,395)	(\$18,253)	(\$18,677)
<u>Retained Earnings Components at Beginning of FY</u>	7/1/00	7/1/01	
Cash	\$150,398	\$99,302	
Accounts Receivable	181	3,917	
Other Receivables	6,516	0	
Vouchers Payable	(3,474)	(6,564)	
Interest Payable	(28,245)	(27,198)	
Capital Lease Obligation (Current)	(48,301)	(51,492)	
Encumbrances	(452)	0	
Total Beginning Retained Earnings	\$76,623	\$17,965	

FY 2002-03 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Section Title: FORESTVILLE CSD - CONSTRUCTION
Section/Index No: 650507

Sub-Object No. and Title	Adopted 2001-02	Requested 2002-03	Difference	Percent Change
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REVENUES:

USE OF MONEY

1700 Interest on Pooled Cash	\$0	\$0	\$0	N/A
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Subtotal Use of Money	\$0	\$0	\$0	N/A
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ADMINISTRATIVE CONTROL ACCOUNT

4200 ENT - LTD Proceeds	\$1,987,000	\$1,028,300	(\$958,700)	(48.25%)
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4209 ENT - LTD Proceeds - Clearing	(1,987,000)	(1,028,300)	958,700	(48.25%)
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4210 Advances	0	0	0	N/A
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4219 Advances - Clearing	0	0	0	N/A
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4220 Contributed Capital	1,424,674	1,424,674	0	0.00%
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4229 Contributed Capital - Clearing	(1,424,674)	(1,424,674)	0	0.00%
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Subtotal Admin. Control Account	\$ -	\$0	\$0	N/A
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OTHER FINANCING SOURCES

4625 OT - W/in Special Dist - BOS	\$5,000	\$5,000	\$0	0.00%
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Subtotal Other Financing Sources	\$5,000	\$5,000	\$0	0.00%
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TOTAL REVENUES	\$5,000	\$5,000	\$0	0.00%
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EXPENDITURES:

OTHER CHARGES

7930 Interest - LT Debt	\$0	\$0	\$0	N/A
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Subtotal Other Charges	\$0	\$0	\$0	N/A
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FIXED ASSETS

8500 Land	\$0	\$0	\$0	N/A
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8510 Building / Improvement	1,022,724	0	(1,022,724)	(100.00%)
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9142 Capital Replacement Program	0	0	0	N/A
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9199 Rebudget - Bldg / Impr	2,641,300	2,641,300	0	0.00%
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Subtotal Fixed Assets	\$3,664,024	\$2,641,300	(\$1,022,724)	(27.91%)
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OTHER FINANCING USES

8625 OT - Within Sp Dist - BOS	\$0	\$0	\$0	N/A
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TOTAL EXPENDITURES	\$3,664,024	\$2,641,300	(\$1,022,724)	(27.91%)
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TOTAL NET COST (Expenditures Minus Revenues)	\$3,659,024	\$2,636,300	(\$1,022,724)	(27.95%)
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**FY 2002-03 BUDGET
CHARACTER JUSTIFICATION**

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Forestville CSD - Construction

Character Title: Use of Money

Character No.: 650507-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the District by the County Treasurer's office. No interest is expected to be received in FY 01-02.

Character Title: Administrative Control Account **Character No.:** 650507-42

4200 ENT - LTD Proceeds

This account will record the anticipated receipt of \$1,028,300 in loan proceeds from the USDA for the purpose of upgrading the Forestville CSD treatment plant to AWT standards.

4209 ENT - LTD Proceeds - Clearing

This is the clearing account for sub-object 4200.

4220 Contributed Capital

This account will record the receipt of grants totalling \$1,424,674 from the USDA and the EPA towards the upgrade of the treatment plant.

4229 Contributed Capital - Clearing

This is the clearing account for sub-object 4220.

Character Title: Other Financing Sources **Character No.:** 650507-46

4625 OT - W/in Special Dist - BOS

This account reflects the transfer of cash from the operations fund to the construction fund to finance the capital replacement program. If the operations fund does not have sufficient cash available to finance capital projects, the transfer will not be made.

**FY 2002-03 BUDGET
CHARACTER JUSTIFICATION**

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Forestville CSD - Construction

Character Title: Fixed Assets

Character No.:

650507-85

8510 Buildings / Improvements

There are no new projects planned for FY 2001-02

9142 Capital Replacement Program

This account is used to provide funds for repair and replacement of the sewer collection system. The present system has locations where inflow and infiltration problems exist. Long-term replacement of existing facilities that are worn out and in disrepair will help to bring the facilities up to current sanitation standards and will extend the life of the sanitation infrastructure; however, due to the lack of currently available funding, projects designed to accomplish these objectives must be deferred to years beyond FY 01-02.

9199 Rebudget - Bldg / Impr

This account is used to rebudget funds for projects not completed during the prior fiscal year.

<u>AWT Upgrade</u>	2,391,300
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The requested funds represent the current estimate to complete the upgrade of the treatment plant to AWT standards. Financing is anticipated through a combination of loans and grants.

<u>Treatment Plant Reclamation Facilities</u>	<u>250,000</u>
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TOTAL CHARACTER 85	<u><u>\$ 2,641,300</u></u>
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Character Title:

Admin Control Account

Character No.:

650507-92

9210 Advances

This account will record Forestville CSD's principal payment to the Sonoma County Water Agency's Waste/Recycled Water Loan Fund for a \$363,000 loan received by Forestville in FY 1998-99. The loan was received for the purpose of financing initial costs related to the District's AWT Upgrade project. Terms of the loan specify full repayment no later than June 30, 2002, together with interest at the pooled rate (subsequently determined to be 5%). The interest portion of the payment will be recorded under sub-object 7930.

9219 Advances - Clearing

This is the clearing account for sub-object 9210, Advances.

**FY 2002-03 BUDGET
CHARACTER JUSTIFICATION**

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Forestville CSD - Construction

Character Title: Use of Money

Character No.: 650507-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the District by the County Treasurer's office. No interest is expected to be received in FY 01-02.

Character Title: Administrative Control Account **Character No.:** 650507-42

4200 ENT - LTD Proceeds

This account will record the anticipated receipt of \$1,028,300 in loan proceeds from the USDA for the purpose of upgrading the Forestville CSD treatment plant to AWT standards.

4209 ENT - LTD Proceeds - Clearing

This is the clearing account for sub-object 4200.

4220 Contributed Capital

This account will record the receipt of grants totalling \$1,424,674 from the USDA and the EPA towards the upgrade of the treatment plant.

4229 Contributed Capital - Clearing

This is the clearing account for sub-object 4220.

Character Title: Other Financing Sources **Character No.:** 650507-46

4625 OT - W/in Special Dist - BOS

This account reflects the transfer of cash from the operations fund to the construction fund to finance the capital replacement program. If the operations fund does not have sufficient cash available to finance capital projects, the transfer will not be made.

**FY 2002-03 BUDGET
CHARACTER JUSTIFICATION**

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Forestville CSD - Construction

Character Title: Fixed Assets

Character No.:

650507-85

8510 Buildings / Improvements

There are no new projects planned for FY 2001-02

9142 Capital Replacement Program

This account is used to provide funds for repair and replacement of the sewer collection system. The present system has locations where inflow and infiltration problems exist. Long-term replacement of existing facilities that are worn out and in disrepair will help to bring the facilities up to current sanitation standards and will extend the life of the sanitation infrastructure; however, due to the lack of currently available funding, projects designed to accomplish these objectives must be deferred to years beyond FY 01-02.

9199 Rebudget - Bldg / Impr

This account is used to rebudget funds for projects not completed during the prior fiscal year.

<u>AWT Upgrade</u>	2,391,300
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The requested funds represent the current estimate to complete the upgrade of the treatment plant to AWT standards. Financing is anticipated through a combination of loans and grants.

<u>Treatment Plant Reclamation Facilities</u>	<u>250,000</u>
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TOTAL CHARACTER 85	<u><u>\$ 2,641,300</u></u>
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Character Title:

Admin Control Account

Character No.:

650507-92

9210 Advances

This account will record Forestville CSD's principal payment to the Sonoma County Water Agency's Waste/Recycled Water Loan Fund for a \$363,000 loan received by Forestville in FY 1998-99. The loan was received for the purpose of financing initial costs related to the District's AWT Upgrade project. Terms of the loan specify full repayment no later than June 30, 2002, together with interest at the pooled rate (subsequently determined to be 5%). The interest portion of the payment will be recorded under sub-object 7930.

9219 Advances - Clearing

This is the clearing account for sub-object 9210, Advances.

FY 2002-03 BUDGET

STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Section: Forestville CSD - Construction
Index No.: 650507

DESCRIPTION OF FUND ACTIVITY	Actual FY 00-01	Estimated FY 01-02	Requested FY 02-03
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$108,529	\$77,178	\$225,689
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	504,204	35,000	5,000
Expenditures - (Decrease) retained earnings	(801,035)	(510,000)	(2,641,300)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(296,831)	(475,000)	(2,636,300)
Adjustments to Reserves/Encumbrances:			
4200 LTD Proceeds			
4210 Advances - USDA Loan			1,028,300
4220 Contributed Capital - Connection Fees (Mirabeau)	170,025		
4220 Contributed Capital - Forestville Water District		559,585	
4220 Contributed Capital - USDA Grant			488,600
4220 Contributed Capital - EPA Grant		63,926	936,074
9210 Advances - Principal			
Net Change in Encumbrances	104,549		
Adjustment - Capitalized Interest	(9,094)		
Net Adjustment - Increase/(Decrease) to Retained Earnings	<u>265,480</u>	<u>623,511</u>	<u>2,452,974</u>
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	77,178	225,689	42,363
Total Increase/(Decrease) in Retained Earnings for Fiscal Year (Difference between Beginning and Ending Balance)	(\$31,351)	\$148,511	(\$183,326)
<u>Retained Earnings Components at Beginning of FY</u>	<u>7/1/00</u>	<u>7/1/01</u>	
Cash	\$345,658	\$568,345	
Accounts Payable	(7,572)	(792)	
Interest Payable	0	0	
Encumbrances (Contracts)	(229,557)	(66,677)	
Total Beginning Retained Earnings	\$108,529	\$500,876	